

Our Ref:
Contact Officer: Rod Middleton
Contact Phone: 03 9290 1981



**Australian
Competition &
Consumer
Commission**

23 June 2011

Mr Shane Morris
General Manager
Government, Regulatory and International Affairs
Australia Post
GPO Box 1777
MELBOURNE VIC 3001

GPO Box 520
Melbourne Vic 3001

Level 35, The Tower
360 Elizabeth Street
Melbourne Vic 3000

tel: (03) 9290 1800
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www.accc.gov.au

Dear Mr Morris,

**Re: Price Notification: Australia Post Pricing Proposal
Notice Pursuant to Paragraph 95Z(6)(b) of the *Competition and Consumer Act 2010*
(Cth)**

I am writing in response to the price notification (locality notice) given to the Australian Competition and Consumer Commission (ACCC) on 3 June 2011 by Australia Post pursuant to subsection 95Z(5) of the *Competition and Consumer Act 2010* (the Act).

The ACCC has decided to not object to the prices and product design changes set out in that locality notice. A schedule of prices consistent with those specified in the locality notice is included as an attachment to this letter. The ACCC notes that the price changes are intended to take effect from 4 July 2011.

The reasons for the ACCC's decision are attached and have been published on the ACCC's website. This information will also be included on the public register kept under section 95ZC of the Act.

If you would like to discuss this further, please do not hesitate to contact me on 03 9290 1804.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Anthony Wing'.

Anthony Wing
General Manager
Transport and General Prices Oversight

Attachment – Australia Post’s existing and proposed prices

PreSort Letters

Regular Delivery	Same State BDT			Other State BDT			Residue			Unbarcoded Residue		
	Current	Proposed Price		Current	Proposed Price		Current	Proposed Price		Current	Proposed Price	
		Amount	% Var		Amount	% Var		Amount	% Var		Amount	% Var
Small Letters												
Up to 125g	\$ 0.427	\$ 0.457	7.0%	\$ 0.438	\$ 0.473	8.0%	\$ 0.477	\$ 0.506	6.1%	\$ 0.510	\$ 0.535	4.9%
Charity Mail	\$ 0.372	\$ 0.402	8.1%	\$ 0.383	\$ 0.418	9.1%	\$ 0.422	\$ 0.451	6.9%	\$ 0.510	\$ 0.535	4.9%
Small Plus												
Up to 125g	\$ 0.550	\$ 0.578	5.1%	\$ 0.572	\$ 0.605	5.8%	\$ 0.660	\$ 0.688	4.2%	\$ 0.800	\$ 0.840	5.0%
Medium												
Up to 125g	\$ 0.693	\$ 0.732	5.6%	\$ 0.737	\$ 0.776	5.3%	\$ 0.831	\$ 0.869	4.6%	\$ 0.968	\$ 1.018	5.2%
Over 125 up to 250g	\$ 0.913	\$ 0.952	4.3%	\$ 1.001	\$ 1.040	3.9%	\$ 1.106	\$ 1.144	3.4%	\$ 1.249	\$ 1.287	3.0%
Large												
Up to 125g	\$ 0.825	\$ 0.853	3.4%	\$ 0.869	\$ 0.897	3.2%	\$ 0.990	\$ 1.018	2.8%	\$ 1.034	\$ 1.062	2.7%
Over 125 up to 250g	\$ 1.155	\$ 1.183	2.4%	\$ 1.243	\$ 1.271	2.3%	\$ 1.375	\$ 1.403	2.0%	\$ 1.485	\$ 1.513	1.9%
Over 250 up to 500g	\$ 1.535	\$ 1.623	1.8%	\$ 1.727	\$ 1.755	1.6%	\$ 1.815	\$ 1.843	1.5%	\$ 2.035	\$ 2.063	1.4%
Off Peak Delivery												
Small Letters												
Up to 125g	\$ 0.416	\$ 0.419	0.7%	\$ 0.427	\$ 0.430	0.7%	\$ 0.465	\$ 0.506	8.8%	\$ 0.505	\$ 0.535	5.9%
Charity Mail	\$ 0.356	\$ 0.359	0.8%	\$ 0.367	\$ 0.370	0.8%	\$ 0.405	\$ 0.429	5.9%	\$ 0.505	\$ 0.535	5.9%
Small Plus												
Up to 125g	\$ 0.539	\$ 0.540	0.2%	\$ 0.561	\$ 0.562	0.2%	\$ 0.649	\$ 0.688	6.0%	\$ 0.795	\$ 0.840	5.7%
Medium												
Up to 125g	\$ 0.671	\$ 0.683	1.8%	\$ 0.704	\$ 0.716	1.7%	\$ 0.820	\$ 0.869	6.0%	\$ 0.963	\$ 1.018	5.7%
Over 125 up to 250g	\$ 0.875	\$ 0.887	1.4%	\$ 0.919	\$ 0.931	1.3%	\$ 1.084	\$ 1.144	5.5%	\$ 1.238	\$ 1.287	4.0%
Large												
Up to 125g	\$ 0.803	\$ 0.804	0.1%	\$ 0.836	\$ 0.837	0.1%	\$ 0.979	\$ 1.018	4.0%	\$ 1.029	\$ 1.062	3.2%
Over 125 up to 250g	\$ 1.089	\$ 1.090	0.1%	\$ 1.155	\$ 1.156	0.1%	\$ 1.331	\$ 1.403	5.4%	\$ 1.474	\$ 1.513	2.6%
Over 250 up to 500g	\$ 1.375	\$ 1.376	0.1%	\$ 1.463	\$ 1.464	0.1%	\$ 1.650	\$ 1.843	11.7%	\$ 1.925	\$ 2.063	7.2%

Acquisition Mail	Same State BDT			Other State BDT			Residue			Unbarcoded Residue		
	Current	Proposed Price		Current	Proposed Price		Current	Proposed Price		Current	Proposed Price	
		Amount	% Var		Amount	% Var		Amount	% Var		Amount	% Var
Off Peak Delivery												
Small - up to 125g	\$ 0.300	\$ 0.310	3.3%	\$ 0.320	\$ 0.330	3.1%	\$ 0.465	\$ 0.506	8.8%	\$ 0.505	\$ 0.535	5.9%
Small Plus - up to 125g	\$ 0.415	\$ 0.430	3.6%	\$ 0.435	\$ 0.450	3.4%	\$ 0.649	\$ 0.688	6.0%	\$ 0.795	\$ 0.840	5.7%

Other Letter Prices	Current	Proposed Price	
		Amount	% Var
Clean Mail			
Small	\$ 0.510	\$ 0.535	4.9%
Small Plus	\$ 0.800	\$ 0.840	5.0%
Reply Paid			
Annual Fee	\$ 65.00	\$ 80.00	23.1%

Notes/Comments

All prices are GST Inclusive, except for External Territories where they are as stated but GST free.

Non-reserved products (over 250g or more than four times the BPR) are shaded